



# Insolvency Act 1986

## 1986 CHAPTER 45

### PART XVI

#### PROVISIONS AGAINST DEBT AVOIDANCE (ENGLAND AND WALES ONLY)

#### **424 Those who may apply for an order under s. 423.**

- (1) An application for an order under section 423 shall not be made in relation to a transaction except—
  - (a) in a case where the debtor has been [<sup>F1</sup>made] bankrupt or is a body corporate which is being wound up or [<sup>F2</sup>is in administration], by the official receiver, by the trustee of the bankrupt's estate or the liquidator or administrator of the body corporate or (with the leave of the court) by a victim of the transaction;
  - (b) in a case where a victim of the transaction is bound by a voluntary arrangement approved under Part I or Part VIII of this Act, by the supervisor of the voluntary arrangement or by any person who (whether or not so bound) is such a victim; or
  - (c) in any other case, by a victim of the transaction.
- (2) An application made under any of the paragraphs of subsection (1) is to be treated as made on behalf of every victim of the transaction.

#### **Textual Amendments**

- F1** Word in s. 424(1)(a) substituted (6.4.2016) by [Enterprise and Regulatory Reform Act 2013 \(c. 24\)](#), s. 103(3), [Sch. 19 para. 61](#); [S.I. 2016/191](#), art. 2 (with art. 3)
- F2** Words in s. 424(1)(a) substituted (15.9.2003) by [2002 c. 40](#), ss. 248, 279, [Sch. 17 para. 36](#) (with s. 249(1)-(3)(6)); [S.I. 2003/2093](#), [art. 2\(1\)](#), [Sch. 1](#) (subject to [arts. 3-8](#) (as amended by [S.I. 2003/2332](#), art. 2))

#### **Modifications etc. (not altering text)**

- C1** S. 424 applied (with modifications) by [S.I. 1986/1999](#), art. 3, [Sch. 1 Pt. II](#)

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**Changes to legislation:** *Insolvency Act 1986, Section 424 is up to date with all changes known to be in force on or before 20 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

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- S. 424 applied (with modifications) (4.4.2006) by [The Cross-Border Insolvency Regulations 2006 \(S.I. 2006/1030\)](#), [reg. 2](#), {Sch. 1 Art. 23 paras. 2, 3}
- C2** Ss. 423-425 applied (with modifications) (17.2.2009 for certain purposes, otherwise 21.2.2009) by [Banking Act 2009 \(c. 1\)](#), [ss. 103](#), [263\(1\)\(2\)](#) (with s. 247); [S.I. 2009/296](#), [arts. 2, 3](#), [Sch. para. 2](#)
- C3** Ss. 423-425 applied (with modifications) (17.2.2009 for certain purposes, otherwise 21.2.2009) by [Banking Act 2009 \(c. 1\)](#), [ss. 145](#), [263\(1\)\(2\)](#) (with s. 247); [S.I. 2009/296](#), [arts. 2, 3](#), [Sch. para. 3](#)
- C4** S. 424 applied (with modifications) (8.7.2021) by [The Payment and Electronic Money Institution Insolvency Regulations 2021 \(S.I. 2021/716\)](#), [regs. 2, 37](#) (with [reg. 5](#)) (as amended (4.1.2024) by [S.I. 2023/1399](#), [regs. 1\(2\), 4, 11](#))
- C5** S. 424 applied (with modifications) (15.3.2024) by [The Water Industry \(Special Administration\) Regulations 2024 \(S.I. 2024/205\)](#), [regs. 2\(2\), 5\(1\)](#) (with [reg. 64](#))

**Changes to legislation:**

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act amendment to earlier affecting provision S.I. 1986/1999, art. 3, Sch. 1 Pt. 2 by [S.I. 2017/1119 Sch. 3 para. 1](#)
- Act savings and transitional provisions for amendments by S.I. 2022/1166 by [S.I. 2022/1172 Regulations](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 41HB(2) words substituted by [2018 c. 14 s. 1\(3\)\(b\)](#)